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SUBJECT: GISCARD AFTER ONE YEAR

SUMMARY. AFTER ONE YEAR OF GISCARD'S PRESIDENCY, FRANCE IS WELL LAUNCHED INTO A NEW POST-GAULLIST ERA, WITH A CASUALLY ELEGANT STYLE AT THE ELYSEE AND A NEW POLITICAL BALANCE OF FORCES. GISCARD HAS PUT HIS OWN STAMP ON THE GOVERNMENT AND HAS EMERGED A STRONGER, MORE CONFIDENT PRESIDENT. HE IS MORE SOLIDLY IN POWER THAN A YEAR AGO; THE TRANSITION FROM POMPIDOU'S GAULLIST GOVERNMENT HAS TAKEN PLACE CALMLY. THE GOVERNMENT ENJOYS A STABLE PARLIAMENTARY MAJORITY, WITH GISCARD IN COMMAND OF KEY FRENCH POLITICAL INSTITUTIONS. HE AND HIS COALITION GOVERNMENT ARE FIRMLY IN THE SADDLE UNTIL THE NEXT LEGISLATIVE ELECTIONS WHICH NEED NOT BE HELD UNTIL MARCH 1978.

FACED WITH A SERIOUS ECONOMIC SITUATION, GISCARD HAS STRUCK A FAIRLY SUCCESSFUL BALANCE BETWEEN CONTINUED RESTRAINT AND DEMANDS FOR ECONOMIC EXPANSION THROUGH A PROGRAM OF SELECTIVE INVESTMENT CREDITS. AS A RESULT, IN THE SPRING OF 1975 FRANCE PRESENTS AN IMAGE OF DOMESTIC STABILITY, RELATIVE PROSPERITY, A STRONG CURRENCY AND THE PROSPECT OF A SUSTAINED AND STABLE ECONOMIC RECOVERY BEGINNING IN THE FALL. THIS ASSUMES THAT GISCARD'S PRESENT MEASURES WILL BE SUFFICIENT TO PROMOTE A RAPID BOTTOMING-OUT OF THE PRESENT SLUMP BEFORE POLITICAL AND SOCIAL PRESSURES MOUNT TOO HIGH.

BUT THE RESULTS AFTER ONE YEAR HAVE BEEN CONSIDERABLY LESS THAN A TRANSFORMATION OF FRENCH SOCIETY WITH ITS PROFOUND INEQUALITIES. GISCARD HAS NOT MANAGED NOTICEABLY TO NARROW THE GAP -- GENERALLY ACCEPTED AS WIDER IN FRANCE THAN ANYWHERE ELSE IN THE EC -- BETWEEN THE VERY RICH AND THE VERY POOR. THE TOUGH REFORMS -- EDUCATION, CAPITAL GAINS TAX, URBAN LAND OWNERSHIP, INDUSTRIAL RELATIONS -- ARE ALL STILL TO COME. IT REMAINS TO BE SEEN HOW FAR GISCARD AND HIS MAJORITY ARE WILLING AND ABLE TO GO TOWARD A FAIRER DISTRIBUTION OF INCOME AND TRUE SOCIAL JUSTICE. HE IS DETERMINED TO MANAGE FRANCE'S PROBLEMS. THERE IS NO DOUBT THAT HE HAS COMPETENCE. WHETHER HE HAS THE COURAGE IN A CRISIS

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SITUATION STILL REMAINS TO BE TESTED; FORTUNE SO FAR HAS SMILED ON HIM. AND DESPITE HIS MASTERFUL DISPLAYS OF PUBLIC RELATIONS TALENT IN HIS FIRESIDE CHATS AND OTHER TV APPEARANCES, MANY OF HIS COUNTRYMEN STILL SEEM UNCERTAIN AS TO WHERE HE WANTS AND INTENDS TO LEAD THEM. END SUMMARY.

BACKGROUND

1. POMPIDOU'S LAST YEAR WAS MARKED BY A MOOD OF DESPONDENCY IN THE COUNTRY AS THE PRESIDENT, WORKING

UNDER AN INCREASINGLY HEAVY HANDICAP, GRADUALLY LIMITED HIS CONTACTS WITH HIS COUNTRYMEN, EVEN WITH HIS CLOSEST ELYSEE ASSOCIATES, AND THUS RESTRICTED HIS OUTLOOK. A KIND OF DREARINESS PREVAILED IN HIS GOVERNMENT. POMPIDOU WAS ENSCONCED IN A FORMALISM INHERITED FROM DE GAULLE, WITHOUT ENJOYING THE GENERAL'S MAJESTY AND PRESTIGE TO ENLIVEN IT. A WELL-MEANING BUT DULL PRIME MINISTER, PIERRE MESSMER, LED THE CABINET. THIS STODGY ADMINISTRATION COULD RELY IN THE ASSEMBLY ON A PASSIVE, SELF-SATISFIED MAJORITY.

2. POMPIDOU'S DEATH, THE BRISK ENSUING CAMPAIGN BETWEEN TWO BRILLIANT CANDIDATES, AND GISCARD'S NARROW

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ELECTION OVER MITTERRAND CHANGED ALL THAT. THE UNITED LEFT REALIZED HOW CLOSE IT WAS TO VICTORY, AND THE FRENCH NATION REALIZED HOW CLOSE IT WAS TO A FUNDAMENTAL CHANGE. IN THE EXCITEMENT THERE WAS LITTLE ROOM LEFT FOR DESPONDENCY; HOPE OR FEAR TOOK ITS PLACE. EVERYONE BECAME CONSCIOUS THAT THE DAYS OF POLITICAL UNCONCERN WERE OVER AND THAT, EVEN FOR NON-PLAYERS, THE GAME WAS WORTH WATCHING.

3. AFTER A YEAR IT STILL IS. THANKS TO GISCARD'S INVENTIVE IMAGINATION, THE PUBLIC'S INTEREST HAS NOT FLAGGED. THE DECISIVENESS DISPLAYED BY GISCARD AND HIS GOVERNMENT IN ITS FIRST YEAR IS ATTRACTIVE TO THE FRENCH PUBLIC AFTER THE PERIOD OF APPARENT DRIFT IN THE LAST MONTHS OF POMPIDOU'S REGIME.

GISCARD'S POLITICAL POSITION

4. GISCARD'S POLITICAL SUCCESS DURING HIS FIRST YEAR HAS SURPRISED MANY OBSERVERS. FEW WOULD HAVE PREDICTED A YEAR AGO THAT HE WOULD BE ABLE TO HOLD A DISPARATE MAJORITY FIRMLY IN LINE, KEEP THE UDR SUBORDINATE AND, USING PRIME MINISTER CHIRAC, ELIMINATE THE "BARONS" FROM DOMINANCE, TIE THE CENTRISTS FIRMLY TO THE ELYSEE WHILE RENDERING LECANUET AND SERVANSCHREIBER HARMLESS, FURTHER ISOLATE THE PCF AND MAKE THE LEFT LOOK IMPOTENT -- ALL THE WHILE ACHIEVING SIGNIFICANT REFORMS. THE HARD-DRIVING CHIRAC ACKNOWLEDGES GISCARD'S ULTIMATE EXECUTIVE POWER BUT ACTS AS A TOUGH TOP SERGEANT IN APPLYING DECISIONS. CHIRAC HAS PERSONALLY ASSURED THAT THE GAULLIST APPARATUS IS SUPPORTING THE GOVERNMENT, AND ALONG WITH INTERIOR MINISTER PONIATOWSKI, HE IS GRADUALLY PRESSING THE UDR INTO A GISCARDIAN MOLD.

5. ONE OF THE PRIME TASKS OF ANY POLITICIAN IS TO CONSOLIDATE HIS POWER BASE; IN THIS, EVEN GISCARD'S POLITICAL OPPONENTS GRUDGINGLY GIVE HIM HIGH MARKS. AFTER ONE YEAR IT IS CLEAR THAT GISCARD'S BROADENED GOVERNMENT -- AN ORIGINAL MIXTURE OF GAULLISTS, INDEPENDENT REPUBLICANS, CENTRISTS OF ALL HUES, INCLUDING REFORMISTS WHO WERE PREVIOUSLY IN OPPOSITION AND
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PREVIOUSLY UNKNOWN TECHNOCRATS -- WILL SURVIVE. IN THE EARLY MONTHS OF GISCARD'S TERM, THERE WAS MUCH TALK OF EARLY LEGISLATIVE ELECTIONS. BUT IT LOOKS MORE AND MORE AS THOUGH GISCARD IS INCLINED TO LET THE ASSEMBLY SERVE ITS FULL TERM UNTIL MARCH 1978, AND SPARE THE COUNTRY THE WRENCH OF AN EARLY, POTENTIALLY DIVISIVE ELECTION BATTLE. IN THE OPPOSITION, THE SQUABBLING BETWEEN SOCIALISTS AND COMMUNISTS HAS WEAKENED THE UNION OF THE LEFT'S STAYING POWER AND PRODUCED A POLITICAL VACUUM THAT THE PRAGMATIC GISCARD IS TRYING TO FILL; HE HAS BEEN ABLE TO ROB THE LEFT OF SOME OF THE MORE ATTRACTIVE IDEAS IN ITS COMMON PROGRAM. GISCARD HAS SUCCEEDED IN APPEALING TO A WIDER SEGMENT OF THE FRENCH ELECTORATE THAN THAT WHICH VOTED (OR WOULD NOW VOTE) FOR HIM -- NO MEAN ACHIEVEMENT IN THE FACE OF HIGH UNEMPLOYMENT, NAGGING INFLATION AND SOCIAL ILLS. WITH LEGISLATIVE ELECTIONS THREE YEARS AWAY, WITH THE OPPOSITION IN DISARRAY AND ILL-POSITIONED, GISCARD HAS A LONG BREATHING SPELL TO DEVELOP AND IMPLEMENT HIS PROGRAMS.

GISCARD'S STYLE AND ITS IMPLICATIONS

6. GISCARD'S RELATIVE YOUTH (HE IS 49), HIS HIGHLY EFFECTIVE TELEVISION MANNER, HIS INTELLECTUAL AUTHORITY, COUPLED WITH AN ENGAGING FLAIR AND TECHNOCRATIC BRILLIANCE -- ALL HAVE LEFT THEIR MARK. FED UP WITH THE STUFFINESS OF THE PREVIOUS REGIMES, MOST PEOPLE APPEAR TO APPRECIATE GISCARD'S MORE CASUAL STYLE AND HIS HABIT OF INFORMING THEM PERSONALLY ON TV OF MAJOR DEVELOPMENTS. IN HIS TELEVISED FIRESIDE CHATS, HE OFTEN HAS NOTHING NEW TO SAY, BUT HE GIVES A MASTERFUL DISPLAY OF PUBLIC RELATIONS TALENT, CONVEYING THE IMPRESSION OF TAKING THE FRENCH PEOPLE INTO HIS CONFIDENCE ON KEY ISSUES IMPORTANT TO THEM, EVEN IF HE CANNOT BRING RAPID SOLUTIONS TO THEIR PROBLEMS.

7. A "RELAXED FRANCE" IN "THE WORLD SUCH AS IT IS." THOSE PHRASES, FROM TWO OF GISCARD'S EARLY TV APPEARANCES, GIVE AN INDICATION OF HIS CONCILIATORY APPROACH. HE HAS DECIDED TO AVOID THE DAZZLING DISPLAYS OF HIS
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GAULLIST PREDECESSORS DESIGNED TO EVOKE THE POWER AND
GLORY OF FRANCE: RESOUNDING DECLARATIONS, DIPLOMATIC

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SHOCK TACTICS, SPLENDID ISOLATION, BRUTAL SNUBS. ON THE CONTRARY, HE HAS DELIBERATELY TAKEN A MODERATE TONE IN HIS PUBLIC PRONOUNCEMENTS, SHOWING A DESIRE TO DEVELOP A PRAGMATIC, UNEMOTIONAL APPROACH TO ISSUES, WHILE MAINTAINING FRANCE'S DIGNITY, INDEPENDENCE AND SELF-IMAGE OF INTELLECTUAL SUPERIORITY. THIS DESIRE AND SKILL IN DE-DRAMATIZING ISSUES, DISCUSSING MATTERS CALMLY THOUGH DISAGREEING, IS SOMETHING NEW IN THE FIFTH REPUBLIC.

8. GISCARD HAS MADE A NUMBER OF CHANGES IN PRESIDENTIAL STYLE, NO SINGLE CHANGE PERHAPS OF MUCH SIGNIFICANCE, BUT OF CUMULATIVE INTEREST: BANNING ARISTOCRATIC TITLES AT THE ELYSEE, REVISING THE JULY 14 PARADE ROUTE FROM THE BOURGEOIS CHAMPS- ELYSEES TO THE PLACE DE LA BASTILLE, DINING AT AN OLD PEOPLE'S HOME AND AT THE HOMES OF UNKNOWN MODEST FRENCH FAMILIES, VISITING A PRISON CELL TO CHAT WITH CONVICTS. HE TELEPHONES CHANCELLOR SCHMIDT AND PRESIDENT FORD, ACCOMPANIES HIS TEENAGE SON TO A CAFE, AND TAKES HIS FAMILY TO THE THEATER. THE NEWSPAPER FRANCE-SOIR ADDED UP THAT HE HAS SURPRISED THE FRENCH 44 TIMES SINCE HIS ELECTION, THE LATEST BEING HIS DECISION TO GREET PERSONALLY THE WINNER OF FRANCE'S ANNUAL SUMMER MARATHON BICYCLE RACE -- WHO THIS YEAR IS MORE LIKELY TO BE BELGIAN THAN FRENCH.

9. BUT THERE IS A CONTRIVED, SELF-CONSCIOUS ELEMENT IN GISCARD'S CAREFULLY ORCHESTRATED CAMPAIGN TO ERASE HIS IMAGE AS AN ALOOF ARISTOCRAT WITH PLENTY OF BRAINS BUT LITTLE EMPATHY. IF HIS TELEPHONE CALLS TO OTHER CHIEFS OF STATE ARE A BELIEVABLE PART OF HIS WORKING HABITS, HIS CHRISTMAS BREAKFAST WITH THE ELYSEE GARBAGE COLLECTORS HAD A HEAVY OVERTONE OF SLUMMING. NEVERTHELESS THE GESTURE COUNTS, ESPECIALLY IN AS HIDEBOUND A SOCIETY AS FRANCE'S WHERE THE PRIVILEGED ARE DETERMINED TO STAY THAT WAY.

10. IN HIS RELATIONS WITH THE PUBLIC AS IN HIS CONCEPTION OF GOVERNMENT, GISCARD'S STYLE IS HARD TO CHALLENGE. FRENCH COMMUNIST LEADER GEORGES MARCHAIS

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DISMISSES ALL GISCARD'S REFORMS AS THE TRICKS OF AN "ARISTOCRATIC MAGICIAN," IMPLICITLY RECOGNIZING THE PRESIDENT'S SUCCESS IN UNDERCUTTING THE LEFT'S COMMON PROGRAM BY ADOPTING SOME OF ITS FEATURES. GISCARD'S CRITICS SNORT THAT HE IS TRYING TO DAZZLE THE COUNTRY WITH VERBAL DISPLAYS TO HIDE AN ALLEGED LACK OF PROGRESS IN TACKLING THE BURNING ECONOMIC ISSUES. POMPIDOU'S FORMER FOREIGN MINISTER, MICHEL JOBERT, SPEAKS OPENLY ABOUT GISCARD'S "FRAGILITY AND WEAKNESS OF CHARACTER." MEANWHILE THE PRESIDENT'S POPULARITY MEASURED BY OPINION POLLS HAS RISEN BUT SLIGHTLY OVER THE YEAR.

11. THERE IS LITTLE QUESTION, HOWEVER, BUT THAT HE HAS RESPONDED TO A DESIRE FOR CHANGE IN THE RELATIONSHIP BETWEEN LEADER AND LED IN FRANCE. AND IN GOVERNMENT, FORM AND STYLE CAN MELT INTO SUBSTANCE. GISCARD REALIZES THAT BEFORE HE CAN HOPE TO BRING ABOUT FUNDAMENTAL CHANGES IN THE STRUCTURE OF FRENCH SOCIETY, HE MUST CHANGE THE ATTITUDE OF THE FRENCH PEOPLE TOWARD THIS STRUCTURE. HE WANTS FRENCH SOCIETY TO BECOME MORE FLEXIBLE, LIBERAL AND RELAXED AFTER ONE YEAR, IF HE IS STILL FAR FROM HIS ANNOUNCED GOAL OF BREAKING DOWN THE DIVISIONS IN FRENCH SOCIETY, HIS STYLE AND METHOD OF GOVERNMENT ARE AT LEAST BEGINNING TO HAVE A FAVORABLE IMPACT.

DECISION-MAKING AT THE ELYSEE

12. GISCARD AND TO A LESSER EXTENT HIS TEAM REPRESENT A DIFFERENT BREED FROM THEIR PREDECESSORS, AND THE CHANGES IN LEADERSHIP STYLE HAVE MADE THEMSELVES FELT THROUGHOUT HIS GOVERNMENT. THERE MAY BE MORE PRECISION UNDER THE NEW TEAM, BUT AT THE SAME TIME THERE IS SOME LOSS OF WARMTH IN PERSONAL RELATIONS. GISCARD WORKS FAST AND IMPROVISES WITH TALENT. HE HAS PUT HIS OWN STAMP ON THE COUNCIL OF MINISTERS MEETINGS, WHERE THE EMPHASIS IS TOWARD RESOLUTION OF PROBLEMS. GISCARD KEEPS THE DISCUSSION SHARPLY FOCUSED. HE DOES NOT RELISH HIS MINISTERS RUNNING ON AT GREAT LENGTH, AND DOES NOT HESITATE TO INTERVENE WHEN THIS IS CALLED FOR. HIS SECRETARY-GENERAL AT THE ELYSEE, CLAUDE PIERRE-BROSSOLLETTE, AND HIS STAFF HELP GISCARD RUN A TAUT SHIP.

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13. THE SMALL INNER CIRCLE WHO SEES THE PRESIDENT

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REGULARLY IS LIMITED TO PRIME MINISTER CHIRAC, INTERIOR MINISTER PONIATOWSKI, PIERRE-BROSSOLETTE, ELYSEE DEPUTY SECRETARY-GENERAL YVES CANNAC, AND PRESS SPOKESMAN GOUYOU-BEAUCHAMPS. MOST OF THE OTHER GOVERNMENT MEMBERS -- EXCEPT PERHAPS FOR MINISTER OF FINANCE FOURCADE -- ARE WITHOUT REAL INFLUENCE. GISCARD'S OWN ELYSEE STAFF IS ORIENTED TOWARD ECONOMIC AFFAIRS AND HAS A YOUNG TECHNOCRATIC FLAVOR. THERE IS NO ELYSEE ADVISOR ON INTERNAL POLITICAL AFFAIRS; PRESUMABLY PONIATOWSKI AND CHIRAC FILL THAT ROLE.

14. DESPITE HIS INAUGURATION STATEMENT "I WILL NOT CONDUCT THE CHANGE ALONE," GISCARD IS EVOLVING TOWARD A SOLITARY STYLE OF DECISION-MAKING WHICH PLACES VERY LITTLE PREMIUM ON OTHER PEOPLE'S COUNSEL. HE IS PLAYING THE DOMINANT ROLE IN FRENCH FOREIGN POLICY HIMSELF -- TO THE OCCASIONAL ANGUISH OF THE PROFESSIONALS AT THE QUAI D'ORSAY. BUT HIS ELYSEE STAFF IS INADEQUATE AND ILL-EQUIPPED TO PLAY THE FOREIGN POLICY ROLE GISCARD WANTS IT TO PLAY. THIS HAS RESULTED IN SOME POORLY PREPARED INITIATIVES -- THE CLASSIC EXAMPLE BEING THE ENERGY PREPCON AND ITS FAILURE. GISCARD ALMOST CERTAINLY OVERRODE THE ADVICE OF HIS FINANCIAL TECHNICIANS WHEN HE DECIDED RECENTLY THAT THE FRANC WAS STRONG ENOUGH TO RETURN TO THE JOINT EUROPEAN CURRENCY FLOAT ("SNAKE"). AND HE SHOWED HIMSELF CAPABLE OF SERIOUSLY UNDERESTIMATING PUBLIC REACTION WITH HIS SHOCK ANNOUNCEMENT TO ABOLISH VE DAY. CRITICS SAY THAT THIS IS GISCARD BEHAVING LIKE THE TECHNOCRAT HE IS.

THE ECONOMIC BALANCE

15. WHEN GISCARD CAME TO POWER, FRANCE WAS IN THE MIDST OF AN INFLATIONARY BOOM -- PRICES WERE RISING AT AN ANNUAL RATE OF 17 PERCENT AND THE TRADE BALANCE WAS IN HEAVY DEFICIT. HE QUICKLY ANNOUNCED A BROAD POLICY DESIGNED TO SLOW THE GROWTH OF INTERNAL DEMAND. LAST FALL, RECESSION ARRIVED IN FRANCE. UNEMPLOYMENT HAS BEEN MOUNTING STEADILY EVER SINCE, AND IS EXPECTED TO HIT THE ONE MILLION MARK THIS FALL.

16. THUS FAR GISCARD HAS HELD TO HIS BASIC POLICY OF
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RESTRAINT. THE INFLATION RATE HAS COME DOWN TO ABOUT 10 PERCENT, AN IMPROVEMENT ADMITTEDLY WELL SHORT OF HIS

GOAL OF 6 PERCENT. BEGINNING IN DECEMBER GISCARD BEGAN A SERIES OF MEASURES TO SELECTIVELY STIMULATE THE ECONOMY -- FIRST IN KEY BRANCHES SUCH AS AUTOMOBILES, AND LATER INVESTMENT IN CAPITAL GOODS IN GENERAL. HE HAS RESISTED CALLS FOR BROAD FISCAL MEASURES TO STIMULATE CONSUMPTION. THE STRATEGY IS TO KEEP THE BRAKES ON, WHILE KEEPING FRANCE'S GROWTH RATE LOW BUT POSITIVE, LONG ENOUGH TO INSURE THAT WHEN THE ECONOMY ENTERS A FULL RECOVERY, INFLATION WILL NOT ACCELERATE.

17. IF THIS POLICY SUCCEEDS, FRANCE WILL ENJOY PRICE STABILITY WHICH COMPARES WELL WITH ITS EC PARTNERS, A STRONG BALANCE OF PAYMENTS POSITION AND A REAL ECONOMIC GROWTH RATE AMONG THE HIGHEST IN WESTERN EUROPE. THEN GISCARD CAN ADD ECONOMIC POLICY TO HIS LIST OF ACCOMPLISHMENTS. THESE HOPES CLEARLY ASSUME THAT THE CURRENT RECESSION HAS OR WILL VERY SOON REACH BOTTOM AND THAT A RECOVERY WILL BEGIN LATE THIS FALL. IF NOT, GISCARD WILL ONCE AGAIN CONFRONT A DIFFICULT CHOICE BETWEEN STRONG POLITICAL AND SOCIAL PRESSURES AND THE APPLICATION OF POTENTIALLY INFLATIONARY COUNTERMEASURES.

REFORMS: HOW FAR WILL GISCARD GO?

18. GISCARD'S CHANGE IN STYLE WOULD NOT HAVE HAD THE IMPACT IT HAS HAD, IF IT HAD NOT BEEN ACCOMPANIED BY SIGNIFICANT REFORMS. POMPIDOU TURNED OUT TO BE ALLERGIC TO MOST OF DE GAULLE'S SOCIAL PROJECTS, AND HIS REGIME WAS NOT NOTABLY PROGRESSIVE ON THE DOMESTIC FRONT. IN THIS REGARD, GISCARD HAS ACCOMPLISHED MORE IN ONE YEAR THAN POMPIDOU DID IN FIVE. HE HAS LOWERED THE VOTING AGE FROM 21 TO 18, ADOPTED FAR-REACHING UNEMPLOYMENT COMPENSATION, LIBERALIZED ABORTION AND CONTRACEPTION, BROADENED SOCIAL SECURITY COVERAGE, AND MADE STATE TELEVISION AND RADIO A BIT FREER. A BILL NOW BEFORE PARLIAMENT WILL NOTICEABLY LIBERALIZE DIVORCE LAWS. AND THE GISCARD GOVERNMENT IS TAKING A HARD LOOK AT SOME OTHER INJUSTICES OF FRENCH SOCIETY: THE FISCAL SYSTEM, NATIONAL CONSCRIPTION, PRISONS, URBANIZATION. MANY OF THESE PROBLEMS ARE ONLY BEING STUDIED,
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AND MONEY IS SHORT. BUT AT LEAST THE QUESTIONS ARE BEING

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ASKED.

19. TO HIS CRITICS, GISCARD'S FIRST YEAR REFORMS HAVE NOT BEEN ALL THAT IMPRESSIVE. WHILE THEY HAVE REDUCED TENSIONS AND LOOSENED SCREWS HERE AND THERE, THEY HAVE DONE NOTHING TO ALTER THE PROFOUND INEQUALITIES IN FRENCH SOCIETY. THEY HAVE DONE NOTHING TO NARROW THE GAP -- GENERALLY ACCEPTED AS GREATER IN FRANCE THAN ANYWHERE ELSE IN THE EUROPEAN COMMUNITY -- BETWEEN THE VERY RICH AND THE VERY POOR. IT REMAINS TO BE SEEN HOW FAR GISCARD AND HIS MAJORITY ARE WILLING AND ABLE TO GO TOWARD A FAIRER DISTRIBUTION OF INCOME AND TRUE SOCIAL JUSTICE. THE FRENCH REMAIN VERY UNFAIRLY TAXED; GISCARD HAS DECIDED, HOWEVER, TO GO SLOW ON A BILL WHICH WOULD PROVIDE RADICAL INCREASES IN CAPITAL-GAINS TAXES, PUT SHARP RESTRICTIONS ON URBAN LAND SPECULATION, AND INCREASE THE MINIMAL REAL ESTATE TAXES NOW IN EXISTENCE. LAST YEAR HE ABANDONED PLANS TO MODIFY THE FAMILY QUOTIENT SYSTEM WHICH BENEFITS HIGHER INCOMES. AS YET HE HAS GIVEN NO CONSIDERATION TO REVAMPING INCOME TAX RATES TO EASE THEIR REGRESSIVE EFFECT. PRESUMABLY HE FEELS THOSE REFORMS WOULD BE TOO DISRUPTIVE NOW, AND TOO REPUGNANT TO HIS HALF OF THE FRENCH ELECTORATE.

20. OTHER EQUALLY DIFFICULT REFORMS -- EDUCATION AND INDUSTRIAL RELATIONS IN PARTICULAR -- ARE STILL TO COME. WHEN AND IF THEY ARE INSTITUTED, THEY WILL STRIKE DIRECTLY AT THE VESTED INTERESTS OF GISCARD'S SUPPORTERS AND AFFECT THE FABRIC OF FRENCH SOCIETY. IS THE PRESIDENT REALLY DETERMINED TO PUSH THEM THROUGH? IT IS NOT CLEAR WHETHER GISCARD IS ABLE -- OR WHETHER HIS MAJORITY IS WILLING -- TO MAKE CHANGES WHICH WILL FUNDAMENTALLY WEAKEN THE RULING ELITE. WHILE THE CLASSICAL MOLD IN WHICH FRENCH SOCIETY HAS BEEN STRAITJACKETED FOR SO LONG MAY BE STRETCHED BY GISCARD, IT IS NOT LIKELY TO BE SCRAPPED.

CONCLUSIONS

21. GISCARD HAS BEEN COMPARED TO A RACING THOROUGHBRED TRAINED FOR SPEED BUT NOT DISTANCE. HE HAS ALSO BEEN
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LIKENED TO A CRYSTAL GLASS, BRILLIANT BUT BRITTLE. AMONG HIS STRENGTHS ARE INTELLIGENCE AND AN INNOVATING SPIRIT; AMONG HIS WEAKNESSES ARE VANITY, IMPULSIVENESS, AND AN OFTEN-CRITICIZED ISOLATION IN HIS METHOD OF REACHING DECISIONS. IS THIS REALLY THE MAN TO UNIFY AND TRANSFORM A DIVIDED FRANCE? OR IS HE FINALLY A PRISONER OF HIS PAST: HIS ARISTOCRATIC UPBRINGING, THE YEARS AT THE FINANCE MINISTRY?

22. DESPITE HIS BRILLIANCE, GISCARD AFTER ONE YEAR

HAS NOT BEEN ABLE TO STIR HIS COUNTRYMEN AS DE GAULLE DID. HE IS ADMIRER FOR BEING CRISP AND MODERN, BUT HE HAS NOT TOUCHED THE HEARTS OF THE PEOPLE NOR TOTALLY CONVINCED THEM THAT HE IS THE MAN TO SOLVE THEIR PROBLEMS. HIS "MORE JUST, MORE HUMAN, MORE FRATERNAL SOCIETY" REMAINS A VAGUE CONCEPT. HE CONTINUES TO INTEREST THE FRENCH. BUT THAT IS NOT ENOUGH; HE HAS TO SUCCEED WITH HIS REFORMIST MEDICINE IN TRANSFORMING FRENCH SOCIETY IN THE DIRECTION OF GREATER EQUALITY.

23. WILL HIS "OPTIMISM" BE RECIPROCATED BY HIS COUNTRYMEN? THE SHOW IS ON; THE FIRST ACT HAS ENDED TO MODERATE APPLAUSE. BUT A MODERN SHOW, EVEN WITH AN EXTRAORDINARILY TALENTED LEADING MAN, CANNOT SUSTAIN ITSELF WITHOUT STELLAR PERFORMANCES FROM THE SUPPORTING CAST, AND WITHOUT INVOLVING THE AUDIENCE -- THE FRENCH PUBLIC -- ACTIVELY IN THE PERFORMANCE. IF GISCARD REMAINS OPTIMISTIC, WITH ECONOMIC NEAR-CHAOS BREAKING OUT IN ITALY AND IN THE UK, IT IS BECAUSE HE FIRMLY BELIEVES THAT FRANCE HAS THE ABILITY AND VITALITY TO RIDE OUT THE STORM -- WITH GISCARD AT THE HELM. FRANCE IS TROUBLED BY THE AILMENTS COMMON TO ALL MODERN INDUSTRIALIZED SOCIETIES. BUT GISCARD SEEMS WELL AWARE OF THE PROBLEMS, AND IS IN A GOOD POSITION TO SEEK SOLUTIONS IN AN ATMOSPHERE OF RELATIVE POLITICAL STABILITY. THE VERDICT ON HIS FIRST YEAR IS POSITIVE, BUT THE HARDER TASKS AND DECISIONS STILL LIE AHEAD. ONLY THE FUTURE CAN TELL WHETHER OVER THE LONG HAUL HE CAN DELIVER THE GOODS.
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